NATIONAL CANNERS ASSOCIATION

Information Letter

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Canners Urged to Report Stocks

Canners who failed to report their stocks of corn, peas and tomatoes upon the first request of the Census Bureau are being asked a second time by the Bureau to fill out and return their schedules. It is realized that with the mailing of the schedules during the first week in January some canners were unable to give them prompt attention before the annual convention met in Chicago. It is important that these schedules be returned at an early date; otherwise the Census Bureau will be delayed in making public its final figures on the stocks in the hands of canners and distributors.

Production Tax Increased on Sonora Green Peas

The production tax on green peas in the State of Sonora, Mexico, has been increased by a decree of January 30, 1930, from the old rate of 5 cents a crate to a new rate of $2.50 a crate, according to the American Consul at Nogales. This increase is the result of the recent market demoralization and the refusal of the smaller growers and shippers to adhere to any agreement looking toward better regulation of shipments.

The tax as it now stands is prohibitive. It will remain in force until the market recovers. By that time it is believed that the small enterprises will be ready to cooperate with the large shippers. A meeting of growers and shippers to consider means of stabilizing the market was to be held in Navajoa on February 2.

The good demand and high prices paid in the United States for Mexican West Coast green peas during December caused

shippers to flood the market. As a result, prices declined materially. The normal consumption of Mexican West Coast green peas in the American market is considered by Nogales shippers to be in the neighborhood of ten carloads daily. During the last two weeks of December shipments amounted to approximately 26 carloads daily. To remedy the resulting decline in the market the largest shippers entered into an agreement to curtail shipments, but the smaller shippers refused to become a party to the agreement.

Senate Tariff Debate Nears End

Committee amendments having been disposed of, the Senate on February 5 began consideration of individual amendments, under an agreement by which it would consider the entire bill for such amendments, beginning with Schedule 1 and proceeding schedule by schedule until the bill is completed.

Supplemental Order in Southern Territory Rate Case

The Interstate Commerce Commission has issued a supplemental order in the case involving rates on canned foods in carloads from, to and between points in Southern Territory, suspending until September 22, 1930, proposed changes in rates and charges filed with the Commission by F. L. Speiden, designated as Supplement No. 20 to I. C. C. No. 1295. The Commission has set the proceeding for hearing on March 3, 1930, at Washington, before Examiner Trezise.

Examiner Reports on Evaporated Milk Rate Case

In a report to the Interstate Commerce Commission, Examiner Diamond recommends that the Commission find that rates on evaporated milk, in cans, in carloads, from Hillsboro, Wis., to points in central territory, are unreasonable, and that the Commission enter an order establishing a commodity rate not to exceed 24.5 cents from Hillsboro to Chicago. The rates generally from points in Wisconsin to central territory are made by combination on Chicago or other gateways, and to place Hillsboro on a competitive basis with other milk-shipping points in Wisconsin the examiner holds that the rate to Chicago should be reduced.

Truck Crop Markets

An interesting situation has developed on the West Coast of Mexico, as a result of the large acreage and heavy exports of green peas this winter. Shipments to the United States during

the week ended February 1 were still 215 cars, or nearly three times as many as a year ago. A total of 1,415 cars to date is more than twice last season's corresponding movement and exceeds the total output during all of the 1928-29 season in Mexico. In consequence of this active movement, the Mexican government has greatly increased the production tax on peas, in the hope of stabilizing the market. This tax may be lowered again, as soon as the situation is relieved.

Texas carrot movement increased greatly, while California output dropped to 200 cars, during the week. Cauliflower shipments from California increased to 500 cars, compared with 330 during the same week last season. Spinach movement totaled about 300 cars; Texas increased sharply to 250, but Virginia shipped only 30 cars.

Florida started 55 carloads of tomatoes to market, compared with heavier movement of 175 cars from Mexico, 40 from Cuba and 30 from the Bahamas.

Florida was shipping more grapefruit and Texas less than the week before, the total being 715 cars. California orange shipments increased to 765 cars, while Florida decreased to 680.

Cabbage prices continued their upward swing, as the effects of the southern freeze became more apparent. Holdings of old stock are limited. Movement from New York State increased temporarily to 325 cars and Wisconsin started 90 cars. Total production in four early shipping states may be only little more than half the heavy crop of last year. Two important districts of Texas expect about 59,000 tons, compared with 111,400 tons in 1929. Florida may have around 21,500 tons, as against 39,000 last season. Louisiana will have less than one-third as much cabbage as in 1929, or about 12,000 tons. Crop prospects are better in California than in some other states, and California expects nearly 29,000 tons of early stock.

A very great increase occurred in apple shipments from Washington, about 860 cars coming from that territory, compared with 335 the preceding week. Total western shipments jumped to 1,050 and those from the East increased to 695 cars. New York was credited with 235 and the Virginias with 360 cars.

Strawberry shipments were only 50 cars, compared with 95 during the same week last year.

Sweet potato forwardings increased to 440 cars for the week, mainly from Tennessee, Delaware, Louisiana and Maryland.

Combined forwardings of 23 fruits and vegetables during the week increased to 15,820 cars, or 2,600 more than the preceding week and 600 more than a year ago. About the only lines not showing any gain were old-stock celery and southern beans.

CARLOT SHIPMENTS

Commodity	Jan. 26 Feb. 1 1930	Jan. 19-25 1930	Jan. 27 Feb. 2 1929	Total this season to Feb. 1	Total last season to Feb. 2	Total last season
Apples, total	1,744	1,023	1,742	83,476	109,791	137,530
Eastern states	694	596	850	43,039	55,604	82,708
Western states	1,050	427	892	40,437	54,187	54,822
Carrots:						
1930 season	357	377	207	3,034	2,467	11,323
1929 season	74	75	52	11,323	7,147	7,455
Cabbage:						
1930 season	474	169	496	1,970	1,986	43,042
1929 season	481	414	248	43,042	38,023	38,800
Cauliflower	331	515	358	5,396	5,790	9,889
Green peas:						
Domestic	2	10	13	471	453	5,162
Imports	215	267	80	1,416	644	1,351
Mixed vegetables:						
Domestic	690	560	600	3,024	3,511	32,353
Imports	13	17	13	108	77	218
Pears	67	41	41	20,051	23,906	24,439
Peppers:						
Domestic	19	18	31	199	127	3,246
Imports	32	21	27	183	225	566
Spinach	297	228	345	3,311	4,156	10,257
String beans	115	140	49	1,918	508	8,600
Tomatoes:						
Domestic	56	55	265	229	1,181	31,912
Imports	246	171	188	1,437	2,358	6,263

Intended Acreage of Truck Peas and Tomatoes

There are 7,400 acres estimated as planted and intended to be planted in peas in the early group of states compared with 6,320 acres in 1929. Reports indicate an increase of 18 per cent in Imperial county, California, and 21 per cent in Florida.

The estimate of acreage intended to be planted in tomatoes in three of the early areas is 43 per cent above the acreage grown in the same areas last year and 54 per cent above the average for the five-year period, 1925-29. While there is an indicated decrease of 21 per cent in Imperial county, California, increases of 50 and 40 per cent are reported for parts of Florida and the Lower Valley of Texas. If the intended acreage is planted the total acreage for the early group of states will show an increase of 18 per cent over last year's acreage. In 1929 the acreage in this early group was about 28 per cent of the total commercial acreage for shipping in the United States.

Business Conditions

Check payments continued to decline during the week ended February 1 and were also smaller than for the correponding week of last year, according to the weekly statement of the De-

partment of Commerce. The movement of goods through primary channels, as reflected by freight-car loadings during the latest reported period, continued below the corresponding week of last year.

The general index of wholesale prices declined from the previous week and was also below the corresponding week of last year. Interest rates on call money continued unchanged, while those on time money were slightly higher than during recent weeks, both rates being much lower than a year ago.

Business failures were fewer than during the previous week and only slightly more numerous than a year ago. Stock prices strengthened substantially from last week's level but were still well below the average of the corresponding week of 1929. Bond prices were unchanged from the previous week and were below the level of a year ago.

CAR LOADINGS

	Total	Miscellaneous	Merchandise L. C. L.	Other
Week ended January 25	862,621	283,147	232,930	346,515
Preceding week	847,363	290,843	232,027	338,280
Corresponding week, 1929	926,474	320,543	240,951	364,980
Corresponding week, 1928	902,664	311,925	244,635	346,106

Farm Board Approves Central Dry Bean Marketing Organization

The Federal Farm Board announced on February 4 that it has recognized the National Bean Marketing Association as the central sales agency for marketing dry beans handled cooperatively, and has approved the Association's plan of organization.

The Board's action was taken following a conference with the organization committee appointed at a meeting of representatives of the various bean cooperatives in Denver, Colo., November 16, 1929, at which C. C. Teague, Federal Farm Board member, was present.

The authorized capital stock of the association is $1,000,000. Articles of incorporation, the Board was informed, will be filed in Delaware within a few days.

Officers of the Bean Association will be: President, R. L. Churchill, General Manager, Lima Bean Growers Association of California, Oxnard, Calif.; Vice-President, Joe Plummer, President, Colorado Bean Growers Association, Denver, Colo.; Secretary-Treasurer, H. C. Stephens, Sales Manager, Colorado and New Mexico Bean Growers Association, Denver, Colo.; Sales Managers, Mr. Churchill, Mr. Stephens, and L. E. Osmer, Manager, Michigan Elevator Exchange, Lansing, Mich.

The Association, it was announced, expects to be an important factor in marketing the 1930 bean crop. Instead of a single pool for all dry beans, it is proposed to have separate pools for the different varieties. The bean-producing states have been divided by the association into five districts as follows:

1. New York and Michigan.
2. Idaho, Wyoming, Montana.
3. Colorado, New Mexico.
4. Lima and baby lima section of California.
5. Other varietal sections of California.

Efforts of the Association at the outset, it is stated, will be concentrated on strengthening its member associations and in bringing about the organization of bean growers in sections where at present there are no cooperative associations. The Farm Board gave assurance that the services of the Division of Cooperative Marketing will be available to assist in this work.

Problems in Marketing California Canned Peaches

The results of the market survey carried on through the cooperation of the United States Department of Agriculture, the University of California College of Agriculture, the California Department of Agriculture, the California Division of Markets, and the California Canning Peach Growers, into the problems involved in the marketing of California canned peaches, has been issued in bulletin form. This study was made to determine the extent to which the marketing mechanism is functioning with respect to consumer demand for canned peaches, and to determine the possibility of increasing its effectiveness. The object was to obtain the basis for the development of a sound marketing program.

The bulletin summarizes the results of the survey as follows:

PRODUCTION SITUATION

1. Production of clingstone peaches for canning is confined almost entirely to California.
2. Production in the present cycle is not yet at its peak.
3. Clingstone peaches are used almost entirely for canning and make up almost the entire volume of canned peaches.
4. The canning peach industry faces the problem of increasing consumer interest to effectively market the supplies that are in prospect.

MARKET SITUATION.

1. California canned peaches were found to be in general use among housewives and to have a favorable reception.
2. In purchasing, housewives generally designate canned peaches by giving a brand, though one-third of them indicate only canned peaches.

3. Housewives and institutional buyers have definite preferences in canned peaches, the outstanding bases of these preferences being flavor, sweetness, size, uniformity, price, color, freedom from blemishes and workmanship.

4. The present grades for canned peaches are apparently based on important price factors; grades are generally well defined and the standards are generally well applied.

5. In general, commercial canned peach grades reflect housewife valuations.

6. In general, canned peach brands are used to designate one grade only, though in ten per cent of the cases this was not true.

7. Housewives generally have little knowledge of canned peach grades. Retailers likewise indicate little knowledge as to grades.

8. Housewives generally attempt to satisfy preference in canned peaches, or specify quality desired, by purchasing by brand.

9. In attempting to satisfy peach preference, housewives generally do not read canned peach label information. Facts indicate that additional label information such as degree of syrup and number or size of halves, coupled with educational work with housewives and retailers would be advantageous.

10. Canned peaches have as principal competitors apples and bananas in fresh fruits; pineapple, apricots and pears in canned fruits; and prunes in dried fruits. Fresh fruit competition is of greatest importance in the summer and fall, canned and dried fruits being more important in winter and spring. Dried fruits are of minor importance.

11. The relationship of canned peach prices to pineapple prices as stated by housewives and distributors, indicates that the two fruits are price competitors.

12. Canned pineapple has slightly different uses than canned peaches, so that while its importance should be emphasized, yet the importance of canned apricots as a direct canned peach substitute makes this fruit also of major importance.

13. Retail prices of canned peaches vary, on the average, with grade. There is, however, wide variation in prices of given grades. Part of this variation may be due to type of store.

14. Housewives and retailers have not generally recognized the downward trend in canned peach prices during the last few years.

15. Canned peach consumption during the last few years has increased and at a more rapid rate than has pineapple consumption.

16. Canned peaches are advertised extensively by chain stores and to a lesser extent by non-chain stores. A few agencies advertise nationally.

17. Chain stores hold special sales of canned peaches. Non-chain stores also hold special sales but not to the same extent.

18. Price reductions at special sales are as high as 30 per cent, the usual reduction being from 10 to 15 per cent.

19. Retailers generally recognize a quick response to canned peach advertising and special sales. Results indicate that both advertising and price reduction are important factors in increasing sales.

20. Consumer reception of new canned peach products indicate the possibility of increasing consumption of canned peaches.

21. Chain store competition with non-chain retailers is recognized as causing changes in wholesale distribution methods.

PROBLEMS.

The facts disclosed by this survey suggest certain problems to be considered by the canning peach industry in maintaining and increasing consumer interest.

INDUSTRY PROBLEMS.

1. An increase in advertising, involving the advertising of canned peaches rather than brand advertising.

2. A decrease in the number of brands of canned peaches.
3. The education of consumers and retailers as to grades available particularly with the object of enabling the housewife to select intelligently the grade best serving her purpose and of enabling the retailer to assist the housewife in such selection. Effort would probably be along the line of placing content information on the label and indicating the use to which the content was best suited combined with personal contact work to make this effective.
4. Educational work on sizes of cans.
5. Development of more convenient forms of canned peaches. Progress is being made in this respect. Favorable reactions to sliced peaches and crushed peaches indicate the possibilities.
6. Development of new uses and extension of old uses that will increase consumption. Research might indicate a more advantageous dietetic use and possibilities for the increased use of peaches as an ingredient.
7. Truthful facts on the status at all times.

PACKER PROBLEMS.

1. Grading improvements.
2. Reduction in grades and complete information on grades packed. This involves the problem of eliminating seconds from cans smaller than No. 10 and the packing of mixed grades.
3. The inclusion of content information needed on labels.
4. Reduction in the number of can sizes.

Green and Wax Bean Pack

The pack of green beans in 1929, as reported by the Census Bureau, totaled 7,245,345, cases expressed as No. 2's, compared with 5,227,112 cases in 1928. The wax bean pack last year was 1,283,612 cases, as compared with 988,208 in 1928. Between 1926 and 1929 the combined pack of green and wax beans increased from 4,037,000 cases to 8,528,957 cases. The detailed statistics have been issued in leaflet form and distributed to all members of the Association.

Fish Canning in Trieste District

Canning of Adriatic sardines and mackerel has developed into a fair-sized industry on the Istrian Coast and in the upper Dalmatian islands on the east shore of the Adriatic, according to the American consul at Trieste. The estimated output has grown from 950,000 cans in 1921 to 28,000,000 in 1929; the weight of the cans varies from 2 ounces to 4 pounds. The number of workers employed has increased from 120 to 2,000 during the same period.

While there are a number of factories in this area canning fish and fish products, two large concerns and one small one account for the greater part of the pack. The estimated production of these three packers, in cases of 100 cans, is 282,000 cases, which is slightly above the production estimate for 1929 previously given.